The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor according to the federal, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Give to the Red Cross

WHOLE NO. 1825 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, APRIL 2, 1946 GEORGE MEANY, Secretary-Treasurer VOL. 36, NO. 14

Wage Controls Criticized In AFL Transition Report

Highlights of 1945 Reviewed In Bulletin Issued By AFL Officers

Washington, D. C.—The American Federation of Labor warned the nation that reconversion is being tied into bureaucratic knots by the government's insistence on regulating wages instead of relying on free collective bargaining.

In an interim report entitled "1945 —An Epochal Year," the AFL found much to criticize in national policies adopted at the close of the war for the transition period.

The report, in bulletin form, was issued by AFL President William Green and Secretary-Treasurer George Meany in place of the usual executive council report, omitted last year when the AFL's annual convention was cancelled because of war. ne travel restrictions.

It included a membership report showing that at the close of its fiscal year last Aug. 31, the AFL's total membership stood at 6,931,221. Since then the International Association of Machinists has been suspended and the United Mine Workers Union of America has re-affiliated, leaving the total figure almost unchanged.

Mr. Meany's financial report showed receipts of $2,407,731.86 and total expenses of $2,370,401.38, leaving a balance on hand last Aug. 31 of $2,087,021.

Mr. Green prefaced his comment on government control of wage rates with a review of the wartime conditions which brought it about.

"Collective bargaining was effectively suspended," he said. "The little steel formula partially compensated for increased costs of living. It was supplemented by devices for increasing take-home pay, but the wage rates were no longer related to productivity and capacity of employees to pay.

"Workers had no share in the huge profits from war production but, instead of the regular increases in their buying power which had characterized 1890-1940, the buying power of the hourly pay went downward—a severe cut which increased with the return to the normal work and pay week.

"In addition, the formulas of the National War Labor Board had warped our wage structure by facilitating increases in the lower brackets only, thus reducing the differential between rates for less skilled and highest skilled.

It was the joint responsibility of management and labor, he said, "to cooperate in establishing a balanced economy that can maintain maximum level of production and affording maximum employment at rates of pay that will enable workers and all others to have maximum standards of living."

The AFL, he said, looked to the government for these aids:

"1. The necessary basic economic statistics to enable us to gauge the result of known policies.

"2. A shelf of public works ready to go into operation.

"3. A federal housing program.

"4. Equal and adequate educational opportunities for all throughout life.

"5. Provision for adequate scientific research including the social sciences and the training of scientists.

"Implicit in such a program is cooperation between management and labor agement to increase output per man-hour and to decrease production costs.

"Management should provide workers with production and cost records as the basis for their cooperation and be ready to make accumulated records the basis for collective bargaining."

Secretary-Treasurer's Report

The following is a report of the receipts and expenses for the past 12 months, beginning September 1, 1944, and ending August 31, 1945.

At the close of the fiscal year there was a balance on hand of $2,087,021.48. Of this total, $1,862,784.50 is in the defense fund for the local trade and federal labor unions and the balance, $224,236.98, is in the general fund.

The total receipts from all sources, $2,407,731.86; the total expenses, $2,370,401.35. Amount of receipts over expenses, $37,330.51.

The following are the receipts and expenses for the 12 months ending August 31, 1945:

RECEIPTS	
Balance on hand August 31, 1944	$2,049,690.97
Per capita tax	$1,418,849.55
Paid subscriptions, "American Federationist"	1,836.26
Per capita tax subscriptions, "American Federationist"	476,752.10
Per capita tax from locals allocated to Defense Fund	370,185.55
Initiation fees	142,580.27
Reinstatement fees	6,448.02
Supplies	15,954.21
Interest	32,366.25
Premiums on bonds of officers of unions bonded through the A. F. of L.	23,635.87
Disbanded and suspended unions and miscellaneous receipts	19,153.98
Total receipts	$2,407,731.86
Grand total	$4,457,422.83
EXPENSES	
Organizing expenses	$902,610.34
Organizers' salaries	645,265.14
Office employes' salaries	250,878.72
Administrative salaries	67,400.00
Miscellaneous general bills	354,752.70
Defense Fund	11,060.00
Printing and publishing "American Federationist"	119,008.95
Premiums on bonds of officers of unions bonded through the A. F. of L.	20,055.50
Total expenses	$2,370,401.35
Balance on hand August 31, 1945	$2,087,021.48
RECAPITULATION	
In General Fund	$224,236.98
In Defense Fund	1,862,784.50
Balance on hand August 31, 1945	$2,087,021.48

The membership of the AFL as of August 31, 1945, was 6,931,221.

'Political' Picket Line Condemned by Dubinsky

New York City—Trade unionists were urged by David Dubinsky, vice president of the American Federation of Labor and president of the International Ladies Garment Workers Union, to show their contempt for "political picketing" by walking through picket lines of the type protested by the Greater New York Industrial Union Council at the Congress of Industrial Organizations outside the Waldorf-Astoria Hotel recently when Winston Churchill was guest of honor at an official city reception.

In a letter published in Justice, the ILGWU newspaper, Mr. Dubinsky said he had recently seen picket lines in his life. One was at the Churchill reception. The other was at the White House in 1941 during the period of the Nazi-Soviet pact, when Communist organizations were picketing President Roosevelt as a "war monger." Mr. Dubinsky said that on both occasions he had been "delighted" to disregard the pickets.

His statement was made in reply to a letter from an ILGWU member who had read in The Daily Worker a denunciation of Mr. Dubinsky for attending the Churchill dinner and had asked the union president to explain why he passed the picket line.

"All decent human beings should respect an economic picket line," Mr. Dubinsky said. "The same, however, cannot be said about a political 'picket line.' Picketing is the traditional economic weapon used by trade unionists for the attainment of economic goals, and to use it for political purposes is to pervert its true function."

Leon Blum Feted By AFL

Washington, D. C.—AFL leaders offered pledges of cooperation to France in the solution of postwar reconstruction at a luncheon given by AFL President William Green in honor of Leon Blum, former premier of France.

At the same time, Mr. Green served notice on the elderly French statesman that the American Federation of Labor is apprehensive of the recent Communist trend in France. He expressed particular displeasure over the action of the French labor movement in allying itself with the World Trade Union Federation, which is dominated by Soviet Russia.

Mr. Blum, who is on an official mission to this country to negotiate credits for France, thanked Mr. Green for his efforts to rescue him and other French leaders from the Nazis during the war. Mr. Green obtained exit visas for Mr. Blum and 500 others, but Blum decided to stand by and suffer Nazi imprisonment rather than leave his country.

The French Socialist leader made it clear that he is not in sympathy with the policies of the Communist party which is wielding an embarrassing influence over the domestic affairs and international undertakings of France.

The luncheon was attended by 20 high AFL officials, including several members of the Executive Council.

N. Y. CIVIL SERVICE UNION GRIEVES FOR ELLIS RANEN

New York City—The American Federation of State, County and Municipal Employes (AFL) have suffered a severe loss in the death of Ellis Ranen, 52, its international representative. Mr. Ranen died of a heart attack. He had long been a leader in the fight for increased pay and better working conditions for civil service workers.

A native of the Ukraine, Russia, Mr. Ranen came to the United States at the age of 19. He is survived by his widow, Esther; a son, Leonard, and a daughter, Naomi.

BURNS EXPLAINS REPORT FOR FEDERAL PAY RAISE

Washington, D. C.—James B. Burns, national president of the American Federation of Government Employes, explained in a radio address the recent report of the House Civil Service Committee urging a flat 18.5 percent increase in salaries of federal classified employes. He cited, also, the committee's proposal for complete elimination of the $10,000 ceiling on classification salaries. Mr. Burns said in part:

"Chairman Randolph plans to get the bill on the floor of the House quickly and believes that it will win speedy approval. It would affect about 900,000 government and District of Columbia employes, including legislative and judicial workers."

WALDORF-ASTORIA SIGNS

New York City—The Waldorf Astoria Hotel, largest in New York, has signed a contract with the New York Hotel Trades Council (AFL), covering more than 2,100 employes.

INTEREST GAINS STEADILY IN WEEKLY LABOR PAGE

Superior, Wis.—Business and professional men in upper Wisconsin have evidenced a steadily increasing interest in the special "Labor News and Views" page published weekly in The Evening Telegram, according to a survey by Jay S. Fisher, editor of this paper.

In a recent report, Mr. Fisher said: "Members of the American Federation of Teachers since 1937, stated:

"Our labor page is eagerly read by all members of our union and a check reveals that our business and professional men look for it. Begun as an experiment by the Superior Evening Telegram and the local AFL unions, it now has been stamped a success."

N. Y. CIVIL SERVICE AIDES ASK INCREASED WAGES

New York City—Increased wages and improved working conditions have been demanded by 4,000 New York City civil service employes.

Declaring that under the proposed budget 28,000 city employes would receive a base pay of less than $1,500 a year, the petition asked for a raise of $250 and restitution of the wartime cost-of-living bonus. A 40-hour week and double time for all overtime, and equal bonus in all departments and establishment of a labor relations commission, similar to the state body, also are sought.

The union meeting was sponsored by the Central Trades and Labor Council (AFL), whose president, Martin T. Lacey, announced that the mayor and budget director had "made a commitment" to continue the bonus for 1946 and 1947 and for a "general over-all" increase in wages.

AFL MEMBERS' BENEFITS IN '45 TOTAL $23,562,793

Washington, D. C.—Benefits paid by AFL unions to their members in 1945 aggregated more than $23,500,000, according to reports submitted to Secretary-Treasurer George Meany. The tabulation follows:

Death benefits	$3,940,955.75
Sick benefits	1,697,792.15
Unemployment benefits	109,939.52
Old age benefits	6,747,416.11
Disability benefits	231,452.00
Miscellaneous benefits	4,845,927.63
Total	$23,562,793.16

U. S. LABOR POLICIES RAPPED BY MEANY

Washington, D. C.—AFL Secretary-Treasurer George Meany lashed out at administration leaders for "ineptitude and hysteric emotionalism" in dealing with wage control during wartime and reconversion.

In an article prepared for the "American Federationist," he criticized Secretary of State James F. Byrnes for his handling of wartime wage problems while director of economic stabilization, and incumbent Stabilization Administrator Chester Bowles for current confusion in the wage field.

"Wage regulations have been issued to a confused public at the rate of one set every 60 days," he said. "And there is no sign that this flood will subside. From the relatively simple regulations of October 2, 1942, we have steadily progressed into the labyrinths which apparently have no exit."

Wage earners, he charged, have watched their standard of living fall as the number of regulations, directives and interpretations have increased.

"The threat of inflation which deluded workers to accept wage regulation is now here," he said. "The right to bargain collectively has become a will-o-the-wisp which approaches reality only after one executive order only to be drawn away by another."

Mr. Meany, who was one of the original AFL members of the War Labor Board, said that "back-door politics" resulted in a change in government wage policy April 8, 1943, which scrapped the joint labor-management - government agreement of December, 1941, establishing the WLB.

He said that President Roosevelt made the change in policy under "without the courtesy of letting WLB members know." He said the net result was to make labor "war with veto power over the 12-man decisions" of the tripartite WLB.

He said that WLB public members, "acting without doubt on orders from above, prevented the settling of the little steel formula in 1944-45 "by changing rules in the middle of the game."

Branding federal wage regulation as a "scientific approach to confusion," Mr. Meany stressed emphasized the desirability, from the standpoint of both labor and employers, of keeping politicians out of the field of labor relations.

The American wage earner, Mr. Meany added, "is still fearful that the rising tide of prices will engulf him in the same maelstrom which overwhelmed his life after World War I."

NATION TO HEAR ORNBURN ON UNION LABEL, WAGES

Washington, D. C.—I. M. Ornburn, secretary-treasurer of the Union Label Trades Department (AFL), will give a radio address Monday, April 8, over the national network of the Mutual Broadcasting System on "The Union Label and Union Wages." His talk will be preceded by "The Shield of Protection," a highly interesting union label dramatization.

DAN TRACY APPOINTED TO HIGH ILO POST

Washington, D. C.—Dan W. Tracy, former International Secretary of Labor and before that president of the International Brotherhood of Electrical Workers, has been named labor relations counselor to the International Labor Organization. The appointment was announced in Montreal by Edward J. Phelan, Acting Director of the ILO.

Mr. Tracy has long been associated with the work of the International Labor Organization. He was named by President Roosevelt in 1935 as the first Labor Delegate to the Second Session of the International Labor Conference, held for one session after the United States became a member of the organization. He has also represented the United States Government at several ILO conferences. He was a U. S. delegate to the Eighth Conference of American States held in Lima, Peru, in 1938, and was an adviser to the U. S. delegates at the United Nations Conference in San Francisco.

His new job was formerly held by the late James Wilson.

Coal Mine Shutdown Starts, But Negotiations Continue

Draft of Utility Workers Blocked By Arbitration

Richmond, Va.—An unprecedented attempt by a state governor to draft workers into the "unorganized militia" to prevent them from striking was denounced today by AFL President Green as amounting to "involuntary servitude."

The startling move, announced by Governor Tuck of Virginia and affecting 1,800 male employes of the Virginia Electric Power Co., was checkmated when the company on the eve of the strike accepted the offer of the union, an affiliate of the International Brotherhood of Electrical Workers (AFL), to arbitrate the disputed issue of retroactive pay.

As soon as this settlement was reached, Governor Tuck cancelled the draft order, thus leaving the legality of his action untested.

The governor, a creature of the Byrd political machine which has spawned many antilabor public officials, said his draft order was based upon an ancient law which places all male citizens between the ages of 18 and 65 in the "unorganized militia," subject to draft in emergencies.

Under his order, which was made contingent upon the threatened strike going into effect, the power company's workers would have been prevented from walking out on pain of court martial and would have been compelled to serve at their regular jobs at military pay, about half of their union rate.

The governor's proclamation shocked labor officials throughout the country because of its fascist nature. The International Brotherhood of Electrical Workers was reported to have authorized a study to determine the legality of the draft order in order to be prepared if other public officials attempt to resort to similar high-handed tactics.

Meany And Watt At Mexico City For ILO's Regional Conference

Mexico City—AFL Secretary-Treasurer George Meany and International Representative Robert J. Watt arrived here to attend the regional conference of the International Labor Organization which will be devoted to problems of labor relations in North and South America.

The conference will consider a proposed charter for the western world giving official recognition to the right to organize and bargain collectively and expressing the need for machinery for the voluntary adjustment of disputes. This charter is intended to serve as a guide for the adoption of national laws by the 16 member nations in this hemisphere.

Desirability of economic independence for Latin America through industrialization was dealt with in a second report submitted to the delegates.

The final items on the agenda call for cooperation on vocational training among American countries and a better system of labor statistics.

Mr. Meany is attending the conference as the American workers' delegate and Mr. Watt as a member of the ILO's Governing Board. Both will submit reports to the AFL on their return from the 2-week meeting here.

Collier's Magazine Editorial Lauds 'Labor Statesmanship' of AFL

High praise is bestowed on the American Federation of Labor for "real labor statesmanship" in an editorial in the April 6 issue of Collier's magazine.

Text of the editorial, commenting on a magazine article by AFL Vice President William C. Doherty, follows:

"Labor must never forget that it is part of the general public, and that when the public suffers labor suffers.

We borrow the above statement from a remarkable article printed in the Railway Labor Bulletin, official publication devoted to the interests of the Post Office Department employes. The author is W. C. Doherty, AFL vice president, and the bulletin should be enlisted a discussion of labor statesmanship as we've seen.

Particularly astute, we think, is Mr. Doherty's (and other AFL leaders') plea for no pay increase now, when, as we said in, inflation is threatened. As Doherty sees it, no pay increase which will crack a price control is an inflationary policy should be even requested. For the reason is clear. It is simply that if prices are forced up every time pay goes up, the pay increases will mean nothing to the workers receiving them. The process goes on long enough, unbridled inflation will have been let loose.

The Doherty article contains, too, some cogent comments going to demonstrate that the strike weapon should be kept as a weapon of last resort, and should never be used on impulse, or out of ill temper, or because some labor leader wants to make some publicity for himself.

Some strikes are unquestionably justified; and labor should by all means retain the right to strike. But Doherty urges, and we think with great wisdom, that the workers in all cases go into strikes only with their eyes open and after they have reckoned up all possible costs to themselves.

This article seems to us to be a real contribution to management-labor thinking in this country. Our feeling is that the AFL could do a lot worse than to have several thousand reprints of the article printed in pamphlet form and mailed around to industrial and labor leaders, the press, the college economics departments, and so on. It ought to do a great deal of good.

WILLIAM I. HORNER DIES; POSTOFFICE UNION OFFICIAL

Washington, D. C.—Labor leaders long associated with William I. Horner, 68, secretary-treasurer of the National Federation of Post Office Clerks (AFL), attended his funeral services in Arlington, Va. Burial was in Arlington National Cemetery.

Mr. Horner, legislative representative of the union since 1935, was a native of Tennessee, served in the Navy in World War I and was a member of the American Legion.

N. J. GOVERNOR SIGNS BILL TO SEIZE STRUCK UTILITIES

Trenton, N. J.—Legislation establishing orderly procedures for handling labor disputes involving public utilities and providing for seizure and operation of utilities by the state in event of a strike has been signed by Gov. Walter E. Edge. This bill was fought bitterly by labor organizations.

The new law had its origin in a threatened strike of public employes last November which would have deprived the state of power and light. It enlarges the powers of the State Mediation Board, provides a method of fact-finding and imposes a cooling-off period, all designed to afford the largest scope of negotiations in reaching a voluntary settlement.

HOSPITAL LABOR PACT MARKS BIG ADVANCE

Seattle—An objective long sought by AFL leaders in Seattle has become a reality with the signing by St. Luke's Hospital of a model labor agreement between Local 6, Building Service Employes' Union (AFL) and hospital owners. This is the first top-to-bottom union medical institution in the city.

The contract covers nurses, ward and kitchen aides and insures a 40-hour week, time-and-a-half for the first eight and double time for the seventh day and holidays.

The contract also provides medical security, to employes at no cost to them. Wage scales, which also apply to those engaged in the Medical Security Clinic, are the highest in the city for medical workers.

COMMUNIST GROUP HIT BY BRITISH LABOR PARTY

London—Britain's Labor party lashed out vigorously at Communism and its own dissident left-wing elements. A manifesto served British Communists of wishing to form a fifth column and angrily rejected the Communist party's bid for affiliation.

The Communist party was declared an enemy of democracy, and charged to friendship with the Soviet Union and a discredited failure to a statesmanship. that also termed it "a real danger and serious menace as a fifth column working from within."

UMW Insist On Improved Safety Standards In New Contract

Washington, D. C.—The nation's soft coal mines are shut down because the owners and management have failed to offer adequate safety standards to protect the lives of their workers.

Responding 100 percent to the leadership of their union, the United Mine Workers of America, the 400,000 bituminous coal miners, refused to return to their jobs until a new contract is agreed upon containing conditions which will safeguard life, limb and health.

John L. Lewis UMW president, served notice on the coal operators that he will not consider new wage terms until a settlement is reached on safety precautions and the establishment of a health and welfare fund for the miners.

Even though a 30 day supply of coal is available above ground, industry is expected to be hard hit in a short time by the shutdown of the mines. The union has guaranteed that coal will be provided for hospitals and other emergency facilities, but steel and other industries which consume large quantities of coal will have to go on short rations or close up shop.

Pressure from these related industries is expected to spur the coal operators within a few weeks into making the union more satisfactory offers than to date.

Despite the shutdown, negotiations between the UMW and the bituminous operators are continuing. President Truman indicated he will continue a hands-off policy and Secretary of Labor Schwellenbach has not interfered except to offer the conferees the services of Conciliation Commissioner Paul Fuller.

Coincidentally, it was revealed that Mr. Fuller suffered a crushed foot as a young man while working in the coal mines. He ought to realize what the miners are up against and the justice of their demands.

After a 3-hour conference with the coal operators, Mr. Lewis told reporters:

"We found the operators in their usual mood of declining to do anything. We have neither a contract nor a semi-colon agreed upon for the next contract."

However new conferences have been arranged. Mr. Lewis commented caustically:

"We have inquired what for. They were a little vague about it, but we have yiked them to accomodate again."

Meanwhile, the miners back in the coal fields were enjoying a much needed rest, far from worrying about the outcome of the shutdown, and exhibited a holiday mood. Having worked steadily 53 or more hours a week during the closing years of the war, the miners appear glad for the weary and welcome a chance for a vacation.

"No contract, no work," they cheerfully chorused.

As yet the UMW has not appealed to the trade union movement for assistance in the show-down struggle with the coal operators, but it is understood that the AFL stands ready to back up the union to the limit.

INFLATION OF REAL ESTATE CITED IN REPORT OF NHA

Washington, D. C.—Inflation has hit the real estate market, the National Housing Agency has revealed in a report. Actual estate prices, the report declares, have increased from 16 percent to 18 percent in larger cities since V-J Day and range from from 25 percent to well above 100 percent over 1940, an inflation "far more severe than had been anticipated."

The report covered 84 cities of 100,000 or more population and 260 smaller cities. It revealed that in many cities homes valued at $6,000 were selling for $12,000. The report said in part:

"On homes which sold for $6,000 or less in 1940, the largest cities reported, in June; nine cities (18 percent) show price increases of 100 percent or more; 23 cities (27 percent) show increases of 75-100 percent; 34 cities (40 percent) report price increases of 50-75 percent, and the remaining cities report jumps of 25-50 percent."

CROSS-SECTION ART SERIES TO START ON CBS APRIL 6

Washington, D. C.—Something new and different in labor radio programs is in store for those who tune in to "Union Section AFL," the new series over the Columbia Broadcasting System which starts at 2:45 p.m., Eastern Time, April 6.

Opening program will be broadcast from the site of a construction project in New York City, will deal with the building trades. The second program, April 13, will come from a Henry Kaiser shipyard near San Francisco, with Mr. Kaiser himself joining AFL union officials on the air. Then will be interviewed by Bill Downs, noted CBS commentator. The programs will continue each Saturday for 13 weeks.

Don't miss these interesting broadcasts!